

Social Contract 2020

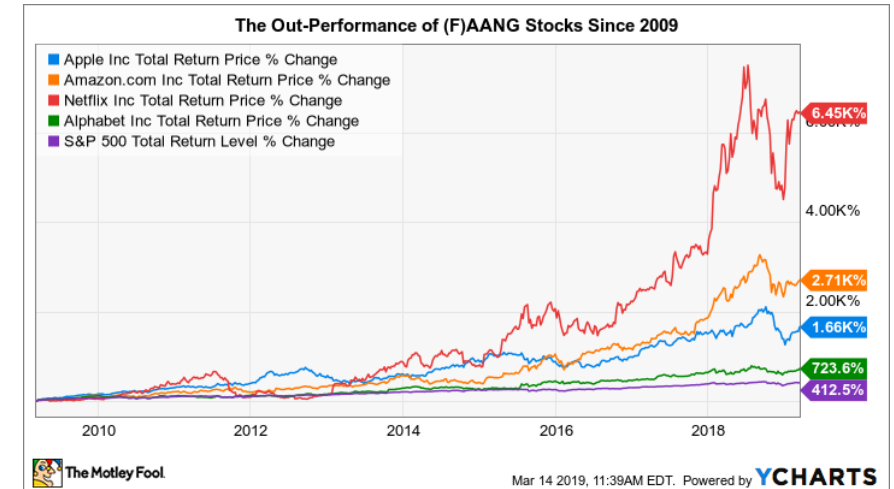
Prof. Alex Pentland, MIT

Advisor American Bar Association

Board, Global Partnership Sustainable Development Data (UN)

why is a new social contract required?

Data, along with Labor and Capital, is now the foundation of our society



MIT Trust Data Alliance

data insights across multiple private databases with minimum risk

“this will change everything” UN Secretary General’s Office



European Union Presidency Opening Keynote Speech

- federated data with distributed query
- blockchain-based data control
- analytics on encrypted data

Participants in trust.mit.edu alliance



Social Contract 2020

1. Ownership Rights and Security
2. Governance and Social Fabric:
Transparency, Responsibility
3. Digital Economy and Social Structure:
Sustainability & Jobs
4. Collective Action in Changing World

1. Ownership Rights and Security

Treat data more like money: tracked and audited continuously

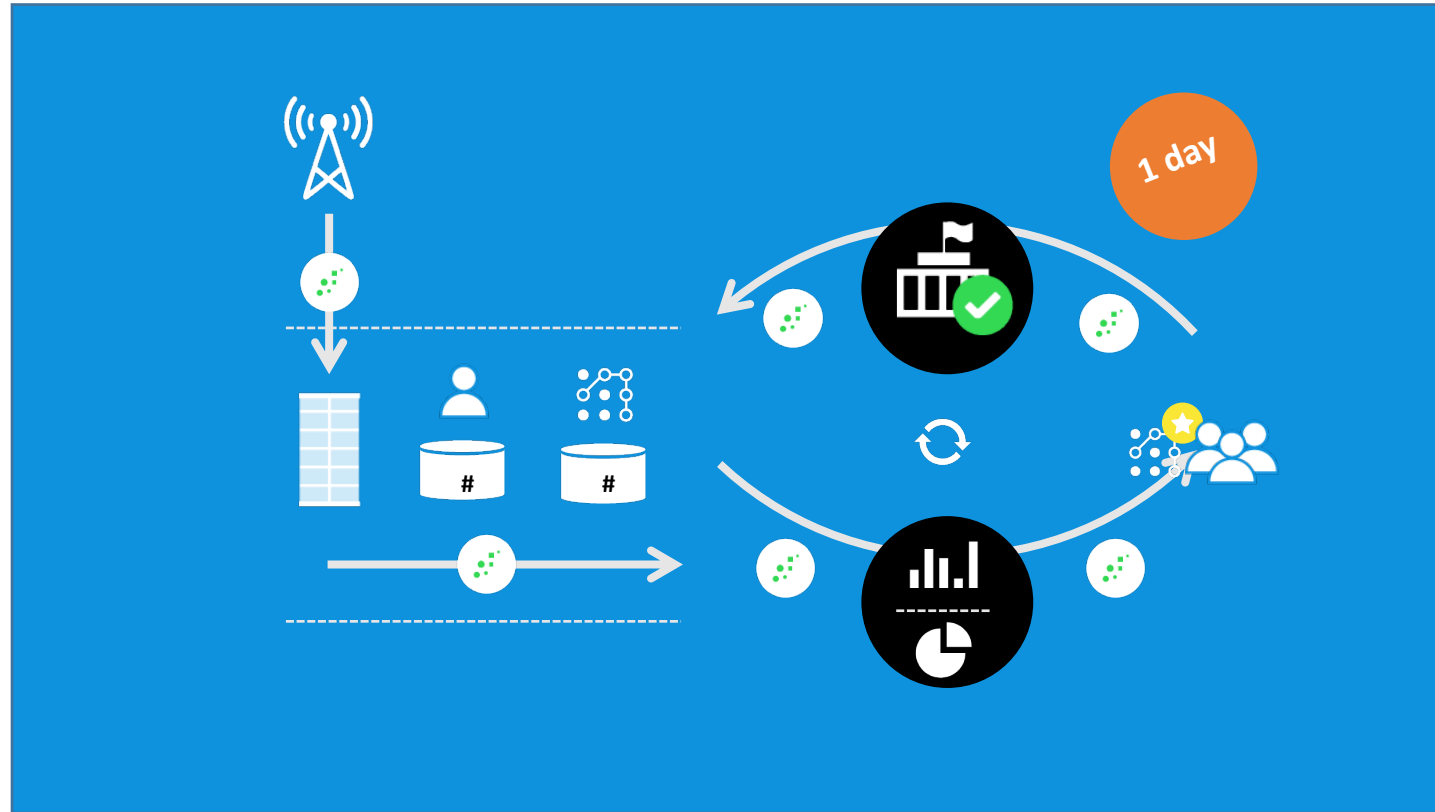
Privacy is a special type of security

key insights:

share answers not data

log everything for auditing

fairness and correctness require full, continuous auditability



opalproject.org

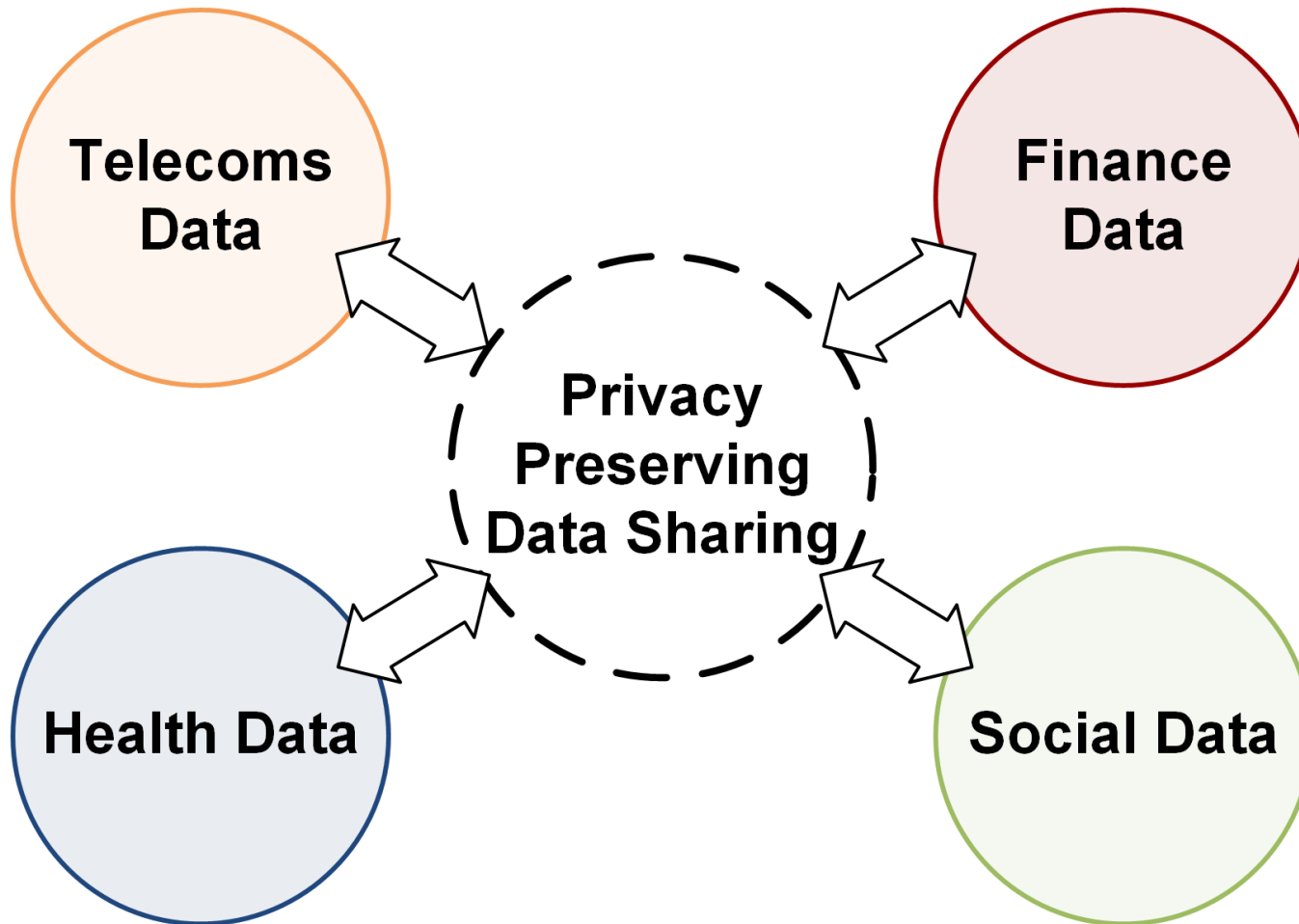
law.mit.edu

- **Computational Law Report**
alliance of dozen law schools and civil organizations

2. Governance and Social Fabric: Transparency & Accountability

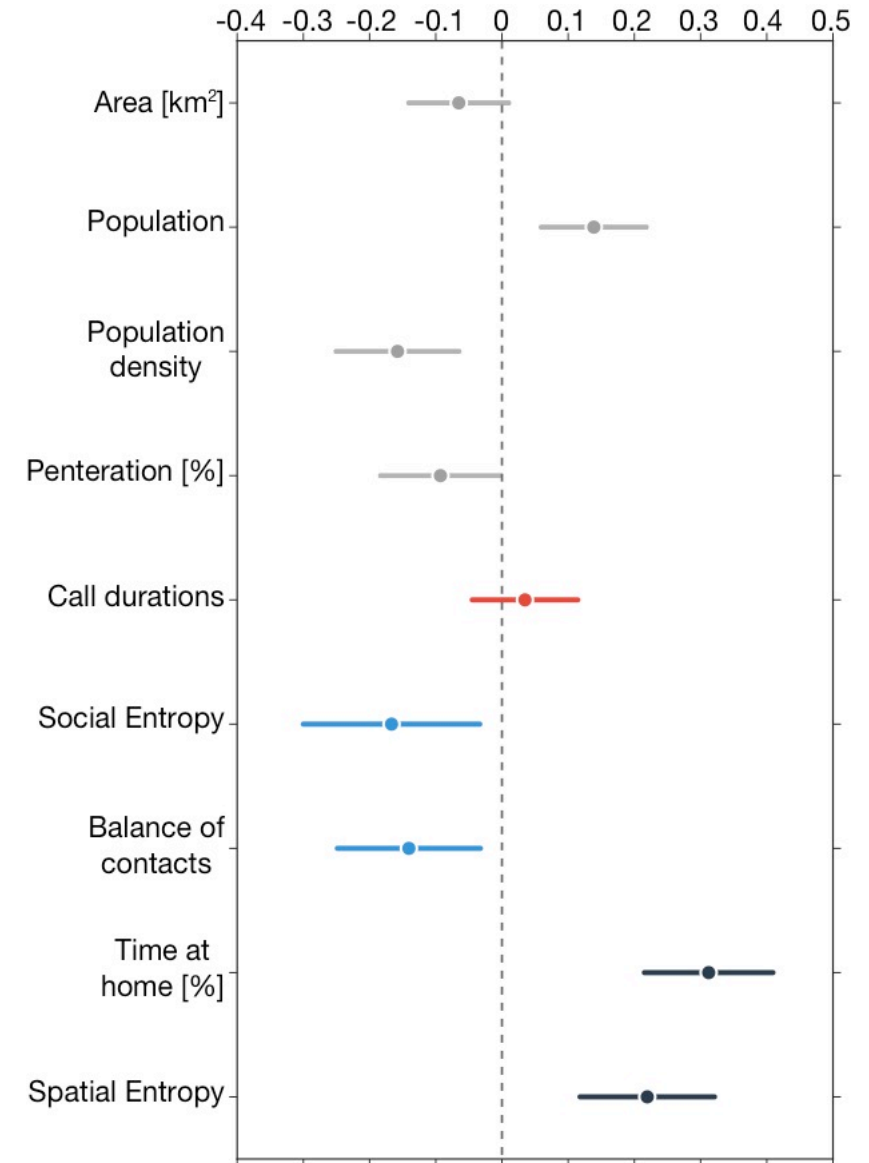
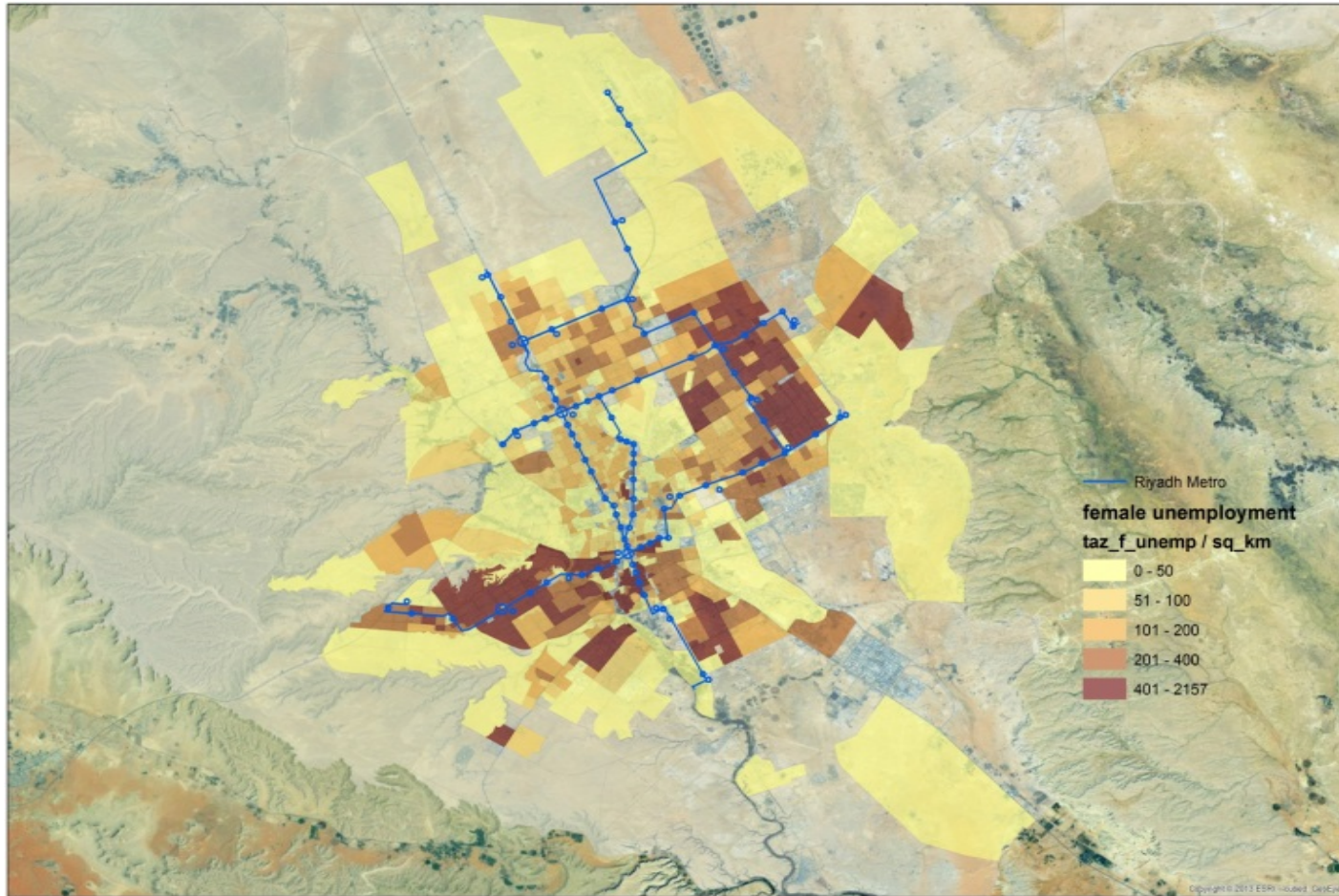
OPAL System:

Open Algorithms for Transparency and Accountability



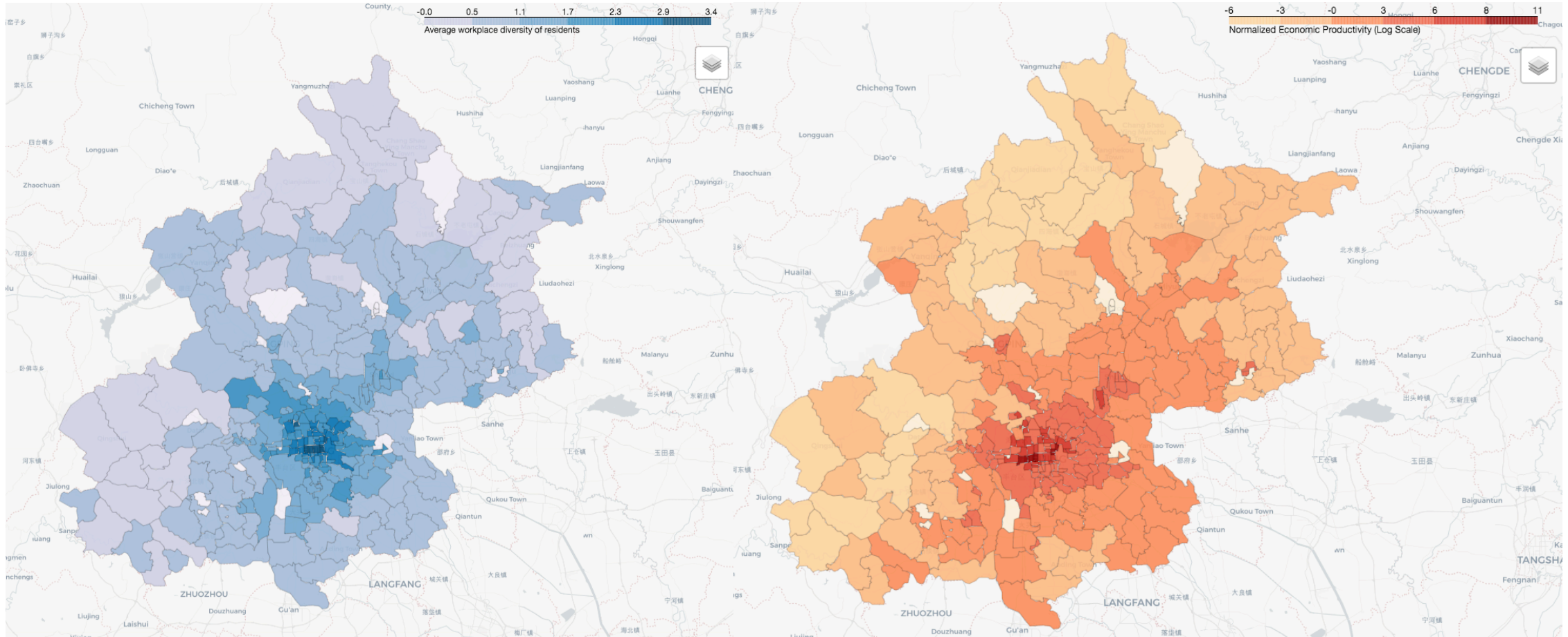
- **Cross organization/ vertical sharing**
- **Privacy, consent, accountability**
- **Regulatory & compliance**
- **New incentive models**

addressing unemployment



diversity predicts local GDP growth

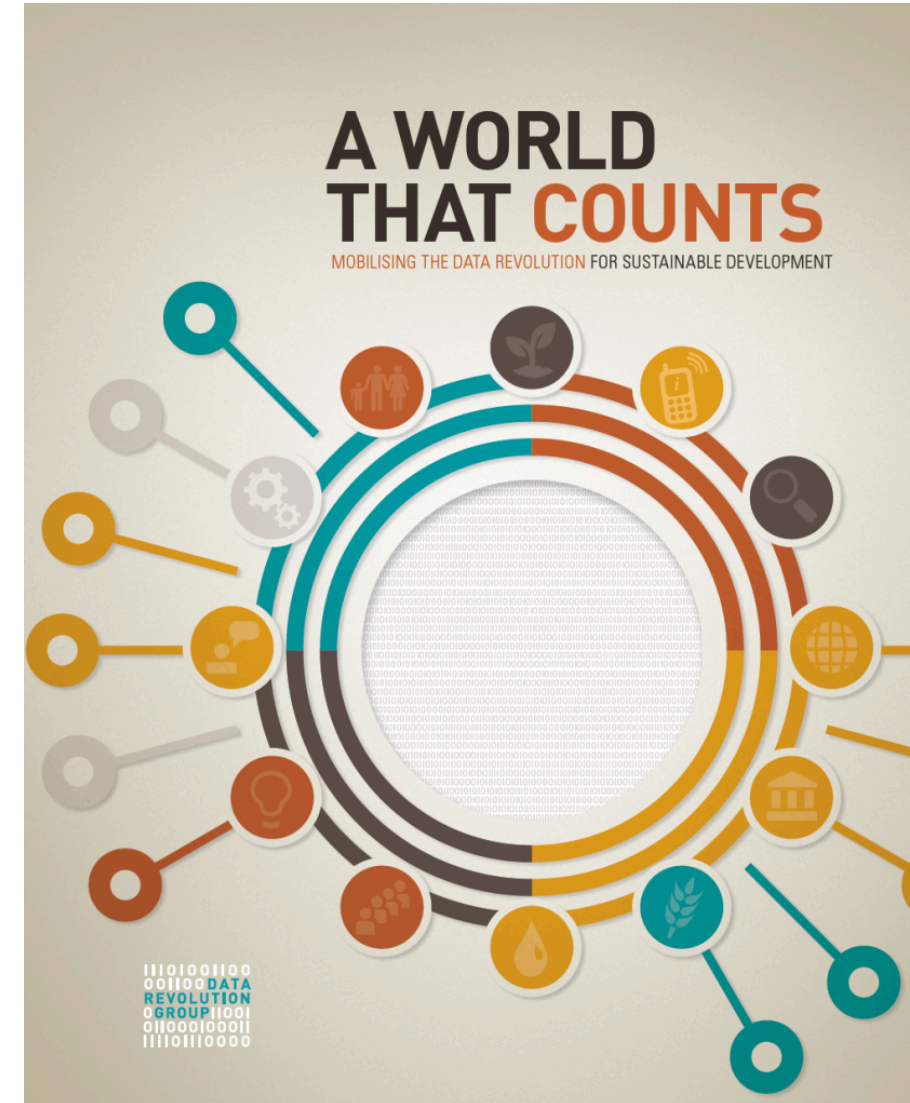
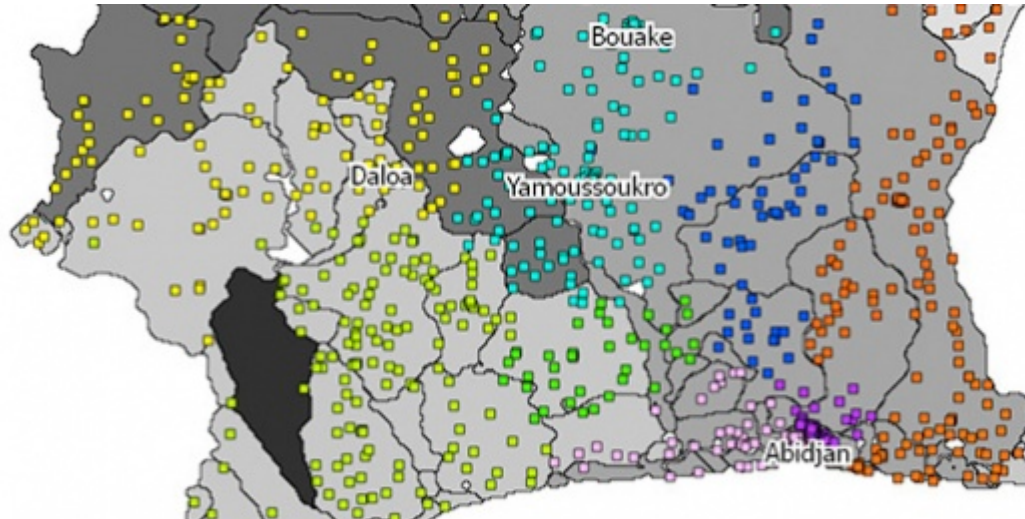
reduction in diversity predicts neighborhood crime



diversity

GDP growth

UN data revolution & sustainable development goals

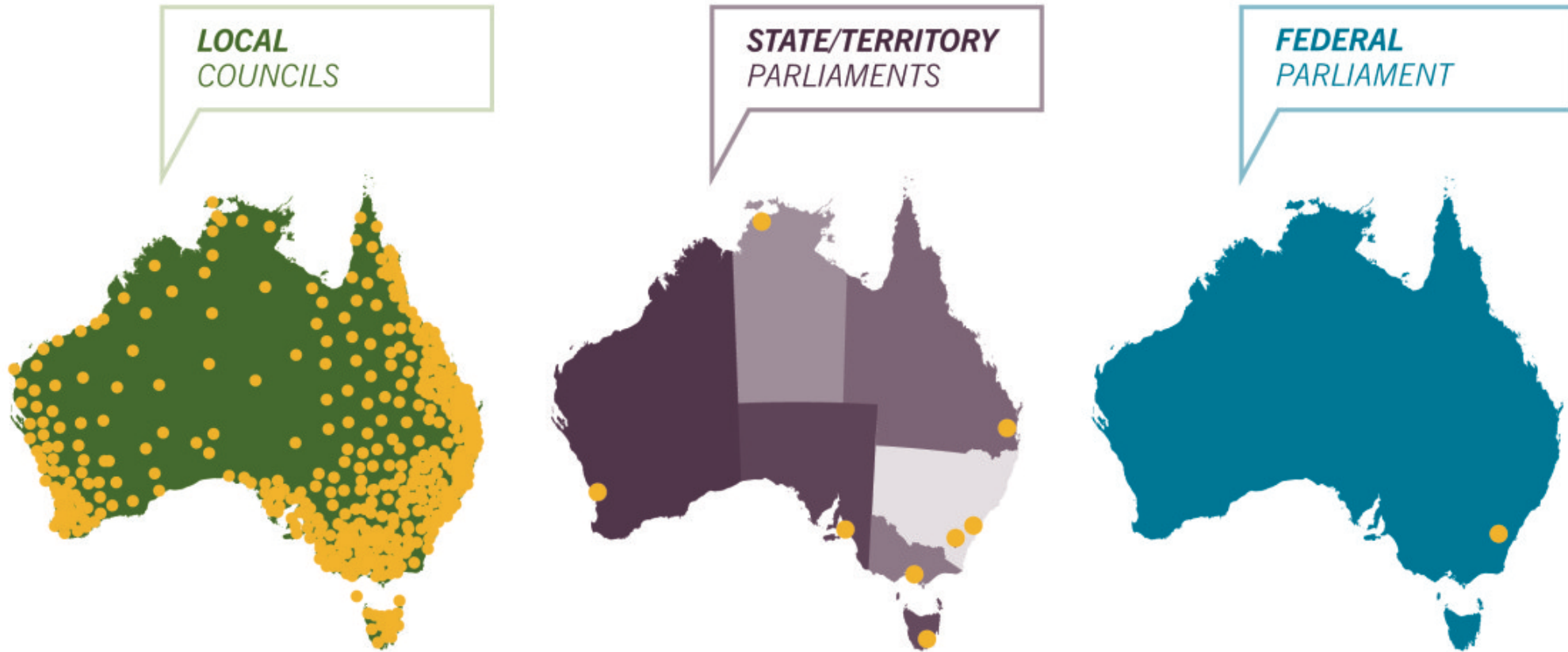


3. Digital Economy and Social Structure

Sustainability: when transaction costs go to zero, economy becomes unstable, resulting in global winner-take-all

Social investment (health, education, infrastructure) is tied location and companies, so insufficient investment

ordinal tax: promotes local investment and innovation



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